

2012 Parke County Property Tax Report with Comparison to 2011

Legislative Services Agency

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This report describes property tax changes in Parke County between 2011 and 2012. In 2012 tax changes in each county were affected most by local factors, such as changes in assessed values, deductions, levies, credits, and tax rates. In 2012, for the first time in years, tax bill changes were not affected by statewide policy changes. The big 2008 tax reform was fully phased in by 2011. There were some statewide trends. The effects of the Great Recession lingered in many counties, depressing assessed value growth. Taxes in rural counties were affected by a large increase in farmland assessed values.

In Parke County the average tax bill for all taxpayers decreased by 4.6%. This tax bill drop was the result of a 2.9% decrease in the tax levy of all local government units. Certified net assessed values increased by 6.3%. Parke County net assessed value rose mainly due to a big increase in farmland assessments. Homestead and other residential assessments increased by small amounts, and business net assessments were almost unchanged. Falling levies and rising assessed value caused tax rates to fall in all Parke County tax districts. Parke County tax rates are so low that tax cap credits were very low, and remained almost unchanged in 2012.

	Average Change in Tax Bill, All Property	Total Levy, All Units	Certified Net Assessed Value	Tax Cap Credits % of Levy
2012	-4.6%	\$9,959,698	\$755,309,362	0.3%
Change		-2.9%	6.3%	0.0%
2011	-6.7%	\$10,257,445	\$710,467,076	0.3%

Homestead Property Taxes

Homestead property taxes decreased 11.0% on average in Parke County in 2012. Tax rates decreased in all of Parke County's tax districts. The county average tax rate fell by 8.7%. Parke County's tax rates are so low, and its local property tax credits are so large, that very few homesteads qualified for tax cap credits in 2012.

Comparable Homestead Property Tax Changes in Parke County

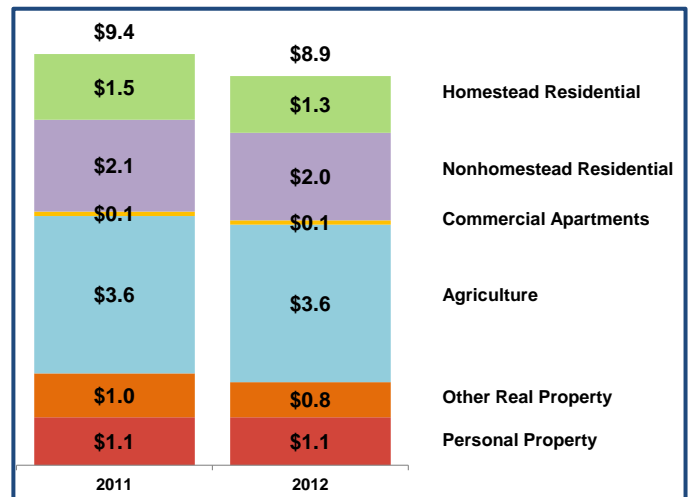
	2011 to 2012	
	Number of Homesteads	% Share of Total
Summary Change in Tax Bill		
Higher Tax Bill	1,051	23.0%
No Change	421	9.2%
Lower Tax Bill	3,107	67.9%
Average Change in Tax Bill	-11.0%	
Detailed Change in Tax Bill		
20% or More	538	11.7%
10% to 19%	193	4.2%
1% to 9%	320	7.0%
0%	421	9.2%
-1% to -9%	952	20.8%
-10% to -19%	564	12.3%
-20% or More	1,591	34.7%
Total	4,579	100.0%

Note: Percentages may not total due to rounding.

Net Tax Bill Changes - All Property Types

The largest share of Parke County's 2012 net property taxes were paid by owners of agricultural property. Net tax bills for all taxpayers decreased 4.6% in Parke County in 2012. Net taxes were slightly higher for agricultural property owners and lower for all other categories of property. Taxes were much lower for commercial apartments and other real property (business land and buildings).

Comparison of Net Property Tax by Property Type (In Millions)



Tax Rates, Levies, and Assessed Values

Property tax rates decreased in all Parke County tax districts. The average tax rate fell by 8.7%, because the levy decreased and net assessed value increased.

Levies in Parke County decreased by 2.9%. Southwest Parke School Corporation had the largest decrease, due to reduced bus replacement and debt service funds. Rockville Schools saw a decrease in its debt service and transportation levies, and the town of Rockville experienced a drop in its motor vehicle highway and general fund levies. Clay Community School Corporation experienced the largest levy increase, due to increases in its debt service, transportation, and capital projects funds.

Parke County's total net assessed value increased 4.9% in 2012. Agricultural net assessments rose 11.4%. The large increase in agricultural assessed value was due to the 16% increase in the base rate assessment of farmland, from \$1,290 to \$1,500 per acre for taxes in 2012. Combined nonagricultural net assessments rose only 0.9%. Homestead and other residential assessments had modest increases.

Property Type	Gross AV 2011	Gross AV 2012	Gross AV Change	Net AV 2011	Net AV 2012	Net AV Change
Homesteads	\$416,345,488	\$421,225,969	1.2%	\$155,380,725	\$157,359,889	1.3%
Other Residential	143,921,700	145,824,400	1.3%	142,988,331	144,981,040	1.4%
Ag Business/Land	275,253,600	307,548,800	11.7%	274,556,102	305,824,386	11.4%
Business Real/Personal	179,915,447	177,886,039	-1.1%	149,813,803	149,884,003	0.0%
Total	\$1,015,436,235	\$1,052,485,208	3.6%	\$722,738,961	\$758,049,318	4.9%

Net AV equals Gross AV less deductions and exemptions · Tax rates are calculated on Net AV · Circuit breaker tax caps are calculated on Gross AV

Tax Cap (Circuit Breaker) Credits

Property taxes are capped at 1% of gross assessed value for homesteads, 2% for other residential property (including rental housing and second homes) and farmland, and 3% for business land, buildings, and equipment. Taxpayers receive credits when their tax bills exceed the caps. Credits are revenue lost to local governments.

Total tax cap credits in Parke County were \$32,445, or 0.3% of the levy. This was much less than the state average percentage of the levy of 9.2%, and less than the median value of 3.2% among all counties. Tax rates are the main determinant of tax cap credits, and Parke County's tax rates were much lower than the state average. Additionally, Parke County's large local property tax credits keep tax bills low enough that few taxpayers qualify for tax cap credits.

Almost half of the total tax cap credits were in the elderly category, which holds tax bill increases on the homes of older homeowners to 2% per year. Most of the rest of the tax cap credits were in the 2% nonhomestead/farmland category. The largest percentage losses were in the town of Montezuma, where district tax rates exceeded \$2 per \$100 assessed value. The largest dollar losses were in the Southwest Parke School Corporation and the county unit.

Tax cap credits decreased in Parke County in 2012 by \$2,805, or 8.0%. The percentage of the levy lost to credits was unchanged. There were no major changes in state policy to affect tax cap credits in 2012. Parke County credits decreased mainly because district tax rates decreased.

Tax Cap Category	2011	2012	Difference	% Change
1%	\$2	\$4,910	\$4,908	275744.9%
2%	23,585	11,449	-12,136	-51.5%
3%	0	0	0	0.0%
Elderly	11,663	16,086	4,423	37.9%
Total	\$35,251	\$32,445	-\$2,805	-8.0%
% of Levy	0.3%	0.3%		0.0%

Parke County Levy Comparison by Taxing Unit

Taxing Unit	2008	2009	2010	2011	2012	% Change			
						2008 - 2009	2009 - 2010	2010 - 2011	2011 - 2012
<i>County Total</i>	15,106,171	10,155,226	10,704,050	10,257,445	9,959,698	-32.8%	5.4%	-4.2%	-2.9%
State Unit	17,867	0	0	0	0	-100.0%			
Parke County	3,297,229	2,955,925	2,924,104	2,924,993	2,927,579	-10.4%	-1.1%	0.0%	0.1%
Adams Township	113,277	110,857	103,910	65,890	64,954	-2.1%	-6.3%	-36.6%	-1.4%
Florida Township	130,036	98,952	107,647	70,441	69,867	-23.9%	8.8%	-34.6%	-0.8%
Greene Township	10,008	10,055	9,890	9,403	9,767	0.5%	-1.6%	-4.9%	3.9%
Howard Township	5,356	5,375	5,352	5,264	5,296	0.4%	-0.4%	-1.6%	0.6%
Jackson Township	18,159	18,230	36,965	17,985	17,031	0.4%	102.8%	-51.3%	-5.3%
Liberty Township	13,754	13,614	13,480	13,293	13,350	-1.0%	-1.0%	-1.4%	0.4%
Penn Township	15,958	16,018	15,940	13,911	13,811	0.4%	-0.5%	-12.7%	-0.7%
Raccoon Township	32,113	32,454	32,093	31,633	31,738	1.1%	-1.1%	-1.4%	0.3%
Reserve Township	22,527	23,296	23,144	21,379	21,380	3.4%	-0.7%	-7.6%	0.0%
Sugar Creek Township	15,033	11,825	11,081	10,266	7,801	-21.3%	-6.3%	-7.4%	-24.0%
Union Township	110,843	80,765	110,657	117,333	78,060	-27.1%	37.0%	6.0%	-33.5%
Wabash Township	19,958	19,225	19,012	17,406	18,834	-3.7%	-1.1%	-8.4%	8.2%
Washington Township	12,822	20,098	20,416	21,113	17,359	56.7%	1.6%	3.4%	-17.8%
Bloomington Civil Town	21,399	22,066	21,928	21,600	17,626	3.1%	-0.6%	-1.5%	-18.4%
Marshall Civil Town	20,835	21,335	21,291	20,966	19,858	2.4%	-0.2%	-1.5%	-5.3%
Montezuma Civil Town	91,203	99,517	97,151	95,767	96,039	9.1%	-2.4%	-1.4%	0.3%
Rockville Civil Town	424,901	428,024	425,997	419,425	313,518	0.7%	-0.5%	-1.5%	-25.3%
Rosedale Civil Town	57,528	60,894	58,901	52,126	50,153	5.9%	-3.3%	-11.5%	-3.8%
Mecca Civil Town	6,779	4,934	4,934	4,909	4,908	-27.2%	0.0%	-0.5%	0.0%
Clay Community School Corp	808,521	523,002	515,139	535,309	664,725	-35.3%	-1.5%	3.9%	24.2%
Southwest Parke Community School Corp	3,260,789	2,009,756	2,246,808	2,127,786	1,986,294	-38.4%	11.8%	-5.3%	-6.6%
Rockville Community School Corp	3,646,047	1,958,692	2,127,729	1,978,138	1,840,264	-46.3%	8.6%	-7.0%	-7.0%
Turkey Run Community School Corp	2,719,093	1,393,470	1,533,804	1,447,773	1,464,776	-48.8%	10.1%	-5.6%	1.2%
Montezuma Public Library	31,624	33,325	32,851	32,371	32,496	5.4%	-1.4%	-1.5%	0.4%
Rockville Public Library	182,512	183,522	183,826	180,965	172,214	0.6%	0.2%	-1.6%	-4.8%
West Central Indiana Solid Waste Mgmt	0	0	0	0	0				
Raccoon Creek Fire Protection District	0	0	0	0	0				

Parke County 2012 Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads
			LOIT PTRC	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead	LOIT Residential	
61001	Adams Township	1.2691	5.4155%	--	13.6029%	--	--	--	1.0277
61002	Rockville Town	1.7333	5.4155%	--	63.8974%	--	--	--	0.5319
61003	Florida Township	1.5370	5.4155%	--	2.5139%	--	--	--	1.4151
61004	Rosedale Town	2.0247	5.4155%	--	5.9537%	--	--	--	1.7945
61005	Greene Township	1.0269	5.4155%	--	72.7473%	--	--	--	0.2242
61006	Howard Township	1.0282	5.4155%	--	31.0473%	--	--	--	0.6533
61007	Jackson Township	1.5045	5.4155%	--	1.6221%	--	--	--	1.3986
61008	Liberty Township	1.0415	5.4155%	--	25.1367%	--	--	--	0.7233
61009	Penn Township	1.0501	5.4155%	--	9.5555%	--	--	--	0.8929
61010	Bloomington Town	1.2456	5.4155%	--	90.2361%	--	--	--	0.0542
61011	Raccoon Township	1.5168	5.4155%	--	6.9808%	--	--	--	1.3288
61012	Reserve Township	1.5532	5.4155%	--	63.2197%	--	--	--	0.4872
61013	Montezuma Town-Reserve Township	2.3417	5.4155%	--	8.6138%	--	--	--	2.0132
61014	Sugar Creek Township	1.0472	5.4155%	--	13.2783%	--	--	--	0.8514
61015	Union Township	1.1344	5.4155%	--	43.1641%	--	--	--	0.5833
61016	Wabash Township	1.5047	5.4155%	--	26.9562%	--	--	--	1.0176
61017	Montezuma Town-Wabash Township	2.3349	5.4155%	--	100.0000%	--	--	--	0.0000
61018	Mecca Town	1.6439	5.4155%	--	0.0392%	--	--	--	1.5542
61019	Washington Township	1.0359	5.4155%	--	100.0000%	--	--	--	0.0000
61021	Marshall Town	1.3364	5.4155%	--	56.6283%	--	--	--	0.5072

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *LOIT*, *COIT*, and *CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Parke County 2012 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Circuit Breaker as % of Levy	
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%) All Other Real/Personal	Elderly	Total	Levy	
<i>Non-TIF Total</i>	4,910	11,449	0	16,086	32,445	9,959,698	0.3%
<i>TIF Total</i>	0	0	0	0	0	118,122	0.0%
<i>County Total</i>	4,910	11,449	0	16,086	32,445	10,077,820	0.3%
Parke County	1,134	1,895	0	4,247	7,276	2,927,579	0.2%
Adams Township	4	0	0	16	19	64,954	0.0%
Florida Township	72	0	0	121	193	69,867	0.3%
Greene Township	0	0	0	1	1	9,767	0.0%
Howard Township	0	0	0	12	12	5,296	0.2%
Jackson Township	29	0	0	100	129	17,031	0.8%
Liberty Township	0	0	0	14	14	13,350	0.1%
Penn Township	0	0	0	0	0	13,811	0.0%
Raccoon Township	23	0	0	133	156	31,738	0.5%
Reserve Township	6	96	0	15	116	21,380	0.5%
Sugar Creek Township	0	0	0	17	17	7,801	0.2%
Union Township	0	0	0	96	96	78,060	0.1%
Wabash Township	3	2	0	3	8	18,834	0.0%
Washington Township	0	0	0	0	0	17,359	0.0%
Bloomington Civil Town	0	0	0	5	5	17,626	0.0%
Judson Civil Town	0	0	0	0	0	0	
Marshall Civil Town	0	0	0	0	0	19,858	0.0%
Montezuma Civil Town	229	4,013	0	581	4,824	96,039	5.0%
Rockville Civil Town	0	0	0	149	149	313,518	0.0%
Rosedale Civil Town	259	0	0	197	456	50,153	0.9%
Mecca Civil Town	40	0	0	12	52	4,908	1.1%
Clay Community School Corp	1,135	0	0	3,907	5,042	664,725	0.8%
Southwest Parke Community School Corp	1,916	5,115	0	4,055	11,086	1,986,294	0.6%
Rockville Community School Corp	35	0	0	1,397	1,432	1,840,264	0.1%
Turkey Run Community School Corp	0	0	0	905	905	1,464,776	0.1%
Montezuma Public Library	19	329	0	49	396	32,496	1.2%
Rockville Public Library	6	0	0	55	61	172,214	0.0%
West Central Indiana Solid Waste Mgmt	0	0	0	0	0	0	
Raccoon Creek Fire Protection District	0	0	0	0	0	0	
TIF - Adams	0	0	0	0	0	11	0.0%
TIF - Rockville	0	0	0	0	0	24,621	0.0%
TIF - Reserve	0	0	0	0	0	33,302	0.0%
TIF - Union	0	0	0	0	0	20,069	0.0%
TIF - Wabash	0	0	0	0	0	13,745	0.0%
TIF - Washington	0	0	0	0	0	26,373	0.0%

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over. The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.